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been less rapid than that of the railways, even in similar kinds of traffic." The opposite is true—the increase on the waterways is shown to be 179 per cent and that on the railways but 150 per cent.

But the most serious error appears on p. 432, where the cost of the New York Central Railroad is given as \$41,000 per mile. That this is far too low is quite obvious. Evidently Mr. Moulton has divided the "cost of road" on the New York Central balance sheet by the *total miles operated*, including many leased lines. When computed correctly on a basis of *miles owned*, the cost is more than \$190,000 per mile, or nearly five times as great as Mr. Moulton's figure on which he bases the comparative transportation costs in the argument which follows.

But on the whole, these and other minor inaccuracies, and the slight leaning toward the railway side, detract but little from the real value of the work. In his exhaustive treatment of all phases of this timely subject, the author shows an able and comprehensive grasp of its many-sided problems. The volume deserves an important place in the field of transportation literature.

WILLIAM J. CUNNINGHAM

HARVARD UNIVERSITY

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*Political Economy.* By S. J. CHAPMAN. New York: Henry Holt & Co., 1912. (Home University Library, No. 49.) 16 mo, pp. 253. 50 cents.

To present in one small volume the general principles of a science so widely ramified as modern economics is an ambitious project. Success in such a project would, obviously, be worth great effort. We may be able, without much difficulty, to induce the general reader to give his attention to a scientific discussion of definite, practical problems. But it is another matter to induce him to acquaint himself with the general principles which he must not neglect if he desires to attain valid practical conclusions based upon his own reasoning instead of upon authority. To refer him to existing works is useless; those which are of unquestioned soundness are too long, and devote too much space to controversies which can interest only the specialist. There is, then, an important place reserved for books similar in aim and scope to the one under review.

In the process of simplifying his problem, Professor Chapman excludes from consideration all questions of technology, applied economics, and economic ethics. In the field of what he calls "positive

economics," he limits himself to an exposition of abstract principles of permanent significance. Facts are used only for the purpose of illustration; the forces commonly grouped under the rubric "economic friction" are recognized only in so far as they serve to explain the operation of long-run tendencies. For the purposes of the work under review, the theoretical system of Professor Marshall is accepted as final.

Stripped of its wealth of historical material and its subtle criticism of opposing doctrines, Marshall's theoretical system becomes, in the hands of Professor Chapman, a series of applications of the marginal principle. Demand is explained by marginal utility, marginal cost explains supply, and the two principles, in interaction, explain price. The monopoly principle is explained in terms of maximum net revenue, but this in its turn is shown to be subject to marginal determination. The value of money is explained in terms of its marginal utility and its marginal cost; international trade is explained by the operation of marginal forces. Marginal productivity is treated as a full explanation of wages, interest, and profits. Rents alone fail to take their place in this harmonious system; but even here, margins of a somewhat different character are given a determining position. If the general reader gets nothing else from this book, he should certainly carry away with him the definite impression that economics is a science of margins.

Were the book intended to be a contribution to economic theory, it would be in point to urge that it unduly simplifies the relation of marginal utility to price, and that its doctrine of distribution is based upon arguments that will seem to the economic specialist not wholly convincing. In view of the purpose of the book, however, the author's exposition of the laws of value and distribution is above criticism, since it is unlikely that the general reader would discover defects in it, and since his application of these theories as they stand to "applied economics" would lead to no serious errors. Indeed, the author may properly be criticized for sacrificing scientific precision to effectiveness in exposition too little rather than too much. As a consequence, much of his text will be unintelligible to persons who have not already become familiar with the trend of economic discussion. The general reader can only be mystified by sentences like the following: "In framing [the law of demand] we must be particular to bear in mind that demand does not indicate just a quantity of the thing demanded, nor just a price, but on the contrary, many quantities and many prices, and even more, namely, the relations between quantities and prices" (p. 40). "For the sake of clearness, let us say that the marginal utility of apples contains ten units

of utility—carefully bearing in mind that there are no such things as units of utility” (p. 49). “The conceptions of increasing, decreasing, and constant returns must not be confounded with the so-called laws of increasing, decreasing, and constant returns” (p. 69). These sentences are, of course, explained by the context, but the context is not in the author’s pages, but in his mind and in the minds of his fellow-specialists. Now, is this fair to the general reader, who is expected to buy the book?

Professor Chapman has shown us how an essentially complete and coherent statement of fundamental principles can be made in a very small book. He has shown how such a statement, in spite of its abstract character, may be such as to be decidedly useful to those who are not trained in economic investigation. In the details of the execution of his plan, he is unfortunately more regardful of his science than of his readers. It is therefore improbable that the work, in its present form, will gain the popularity that its solid qualities merit.

ALVIN S. JOHNSON

CORNELL UNIVERSITY

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*Studies in the History of English Commerce in the Tudor Period.*

Publications of the University of Pennsylvania. New York: Appleton & Co., 1912. 8vo, pp. xi+344. \$2.00 net.

1. *The Organization and Early History of the Muscovy Company.* By A. J. GERSON.
2. *English Trading Expeditions into Asia under the Authority of the Muscovy Company (1557-1581).* By E. V. VAUGHN.
3. *English Trade in the Baltic during the Reign of Elizabeth.* By NEVA R. DEARDORFF.

*The Trade of the East India Company from 1709 to 1813.* By F. P. ROBINSON. Cambridge University Press, 1912. 8vo, pp. vi+186. \$1.10.

The *Studies in the History of English Commerce* are three theses presented, during the past two years, for the degree of Doctor of Philosophy at the University of Pennsylvania. Their titles explain pretty clearly the nature of their contents. The first two, which deal with the early history of the Muscovy Company, are based in the main upon the documents printed in Hakluyt’s *Voyages* and upon other English sources